Postal Regulatory Commission Submitted 1/21/2016 3:57:54 PM Filing ID: 94760 Accepted 1/21/2016

## BEFORE THE POSTAL REGULATORY COMMISSION WASHINGTON, D.C. 20268–0001

ANNUAL COMPLIANCE REVIEW, 2015

Docket No. ACR2015

## RESPONSES OF THE UNITED STATES POSTAL SERVICE TO QUESTIONS 1-6 OF CHAIRMAN'S INFORMATION REQUEST NO. 3

The United States Postal Service hereby provides its responses to the abovelisted questions of Chairman's Information Request No. 3, issued on January 14, 2016. Each question is stated verbatim and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Anthony Alverno Chief Counsel, Global Business and Service Development

Eric P. Koetting B.J. (Jeff) Meadows III Susan J. Walker

475 L'Enfant Plaza, S.W. Washington, D.C. 20260-1137 (202) 277-6333 January 21, 2016

1. Please refer to Library Reference USPS-FY15-38, PDF file "FY15-38 Preface.pdf." Section I.C contains the following table reproduced below:

Survey Type	Time Period*	Number of Surveys Initiated	Number of Surveys Received
Business Service Network (BSN)	Oct-Sept FY15	21,933	4,343
Point of Sale (POS)	Oct-Sept FY15	1,154,499,008	870,501
Delivery (Residential)	Oct-Sept FY15	2,148,428	38,034
Delivery (Small/Medium Business)	Oct-Sept FY15	3,567,025	40,601
Customer Care Center (CCC)	Oct-Sept FY15	1,280,652	111,227
Large Business Survey	July-Sept FY15	Panel Based	835

<sup>\*</sup> Time Period - Time period of sample.

- a. Please provide the Large Business survey time period using months and calendar years (*e.g.*, July 2014 to September 2015).
- b. Section I.C describes the Business Service Network, Point of Sale, Delivery, and Customer Care Center surveys. Please describe the Large Business survey with a similar level of detail as these other surveys.
- c. The table states that the Large Business survey is "Panel Based." Please explain what this means and describe how the Large Business survey panel sample was selected.
- d. Please explain how the Large Business survey customers differ from the Business Service Network survey customers.
- e. Please provide the number of Large Business surveys initiated during the time period.
- f. Please describe how the Large Business surveys are administered.
- g. Please explain why the Large Business surveys are not included in the Customer Insights program.

#### **RESPONSE:**

 a. The Large Business survey time period was July 2015 to September 2015.

- b. The Large Business survey was conducted with a national sample of large commercial businesses (those businesses with more than 250 employees) via a panel based methodology with a certified panel provider. Questions were developed from past large business surveys to gather customer perceptions of Postal Service products and services. The panel provider was responsible for identifying the person within the large business who has influence over shipping solutions, and then sending that person an email invitation (which included the link to the survey collection tool) to participate in the survey.
- c. A panel consists of a group of individuals who have expressed interest in participating in surveys and meets the necessary demographic criteria. When a respondent agrees to be a part of a panel, they share an extensive amount of information about themselves, including individual demographics as well as firmographics, which the panel company uses for selection. The selection for inclusion in the Large Business Survey was that the person has influence over shipping solutions in a company with over 250 employees.
- d. The primary difference between the BSN survey and the Large Business survey is that the BSN survey is event-based (*i.e.*, based on a sale or other interaction between a customer and the Postal Service), as compared to a random survey used for Large Business. In addition, the BSN survey only contacts customers who have opened a service request

with their representative. The customers are surveyed to measure their level of satisfaction with the service they received. The Large Business survey sample was provided by an external panel research firm and is comprised of companies with over 250 employees.

- e. The number of Large Business surveys initiated during the time period was 1069.
- f. The Large Business survey was an on-line survey.
- g. Because the Large Business Survey results were not included in the weighted composite in FY 2014, they were not included in FY 2015. The Postal Service plans to consider including them in FY 2016.

2. Please provide an Excel file with disaggregated survey responses for each of these six surveys: Business Service Network, Point of Sale, Delivery (Residential), Delivery (Small/Medium Business), Customer Care Center, and Large Business. For each survey, please provide the individual survey responses, the most disaggregated available geographic indicator of the respondent (e.g., ZIP+4 code), the survey completion or transaction date, and the individual survey record-level sample weight (where applicable). The Excel file "ACR2015\_CustomerSurveysRespondentsResponses.xlsx" filed with this CHIR provides examples of how to present the requested data by customer survey for each survey respondent.

### **RESPONSE:**

The requested material has been provided under seal in USPS-FY15-NP32.

**3.** For each survey listed in question 2, please specify the precision level for the lowest geographic level (*e.g.*, ZIP+4 code) and smallest time period aggregation (*e.g.*, monthly, quarterly, annual) for which survey performance results can be calculated.

## **RESPONSE:**

Survey	Lowest Geographic Level	Smallest Time Period Aggregation
Business Service Network	Zip5	Daily
Point of Sale	Zip5	Daily
Delivery (Residential)	Zip9	Daily
Delivery(Small/ Medium Business)	Zip9	Daily
Customer Care Center	National	Daily
Large Business	National	Sample Period Only

**4.** Please refer to the table on page 17 of the FY 2015 Annual Report. Please provide FY 2015 targets for each row under "Customer Insights."

### **RESPONSE:**

The Customer Insights rows are only subcomponents, and do not have goals independent of the CI composite goal of 86.7. Each of the subcomponents is assigned a percentage weight, which is then applied to the subcomponent score to calculate the overall composite.

- 5. In FY 2015, the Postal Service replaced the Voice of the Employee (VOE) survey with the Postal Pulse survey. FY 2015 Annual Report at 18. In its FY 2014 Analysis, the Commission stated "the Postal Service must either provide the FY 2015 result from a VOE survey conducted in FY 2015 (if available) or provide the FY 2015 result for the new Postal Pulse survey performance indicator and explain how to compare results of the old VOE survey and new Postal Pulse survey performance indicators."
  - a. Please provide a copy of the Postal Pulse survey.
  - b. Please provide FY 2015 result(s) and FY 2016 target(s) for the Postal Pulse survey.
  - c. Please describe the methodology for calculating performance results for the Postal Pulse survey, and explain how to compare the results of the VOE survey and the Postal Pulse survey.

#### **RESPONSE:**

- a. A copy of the survey is attached to this response electronically as ChIR.3.Q.5.PP.Survey.pdf.
- b. The FY 2015 national average across the twelve elements was 3.16.
  There is no FY 2016 numeric target for the survey score. Goals are based on response rate (51 percent) and number of business units participating in action planning (9,000).
- c. In 2015, The Postal Service conducted an entirely new employee opinion survey, The Postal Pulse. The survey instrument consisted of the twelve elements of engagement as researched by the Gallup organization, or

<sup>&</sup>lt;sup>1</sup> Docket No. ACR2014, Analysis of the Postal Service's FY 2014 Program Performance Report and FY 2015 Performance Plan, July 7, 2015, at 39 (FY 2014 Analysis).

Q<sup>12</sup>. Like the VOE, employees rated the elements on a scale of 1 (least favorable, or "strongly disagree") to 5 (most favorable or "strongly agree"). Unlike VOE, which reported results in percent favorable rating (percentage of 4s and 5s), the results of The Postal Pulse are expressed as an average of the 12 items on the 1 – 5 scale. There was no target set in 2015 for The Postal Pulse results. As described above, the survey score is an average rating of the questions on a 1 – 5 scale, where higher numbers reflect more positive responses. Because The Postal Pulse is purely a measure of Employee Engagement (as compared with the VOE, which measured engagement and satisfaction), the scores cannot be directly compared.

The Postal Service states that in FY 2016, "a revamped delivery survey will provide more visibility into the customer's experience with mail delivery ...." FY 2015 Annual Report at 17. Please describe the differences between the FY 2015 and FY 2016 Delivery surveys, and explain how to compare results between FY 2015 and FY 2016.

### **RESPONSE:**

Upon re-examination, the FY15 Delivery survey questions were determined to be too broad in scope to allow the customer responses to provide us with the customer insight that we needed. The FY16 survey questions have been modified so that we can gain deeper insights into our customer's delivery experience and delivery needs. The Delivery composite will continue to be weighted at 20 percent of the CI composite; therefore, comparing results from prior years should not be impacted.